



LOCAL HELP FOR PEOPLE WITH MEDICARE

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Blue Cross Blue Shield Announces Legacy Changes

By now all of the 200,000 plus Blue Cross Blue Shield of Michigan Legacy Medigap customers have received notice that their premiums will increase substantially next year. The rate increase is still under review by the Michigan Department of Insurance and Financial Services, and probably won't be finalized until September.

Currently all Legacy Plan C customers are paying \$122.86 per month for the supplemental coverage. Starting January 1, 2017, the premium for the Legacy C Medigap plan will no longer be subsidized and the "community" rating will be dropped. The monthly premiums for the Legacy plan will be in line with other insurance companies. The community rating has been a big advantage for Legacy customers. Under that provision, everyone has been paying the same premium without any underwriting considerations. On January 1st, the Legacy premium will be based on age, gender and zip code. Basically, this all means that the cost for Legacy Medigap coverage will rise sharply. Also, BCBSM will stop offering the popular Legacy C plan as of November 14th of this year.

Jim Verville, Regional Coordinator for the Medicare/Medicare Assistance Program in Traverse City said that his office has been getting many calls from seniors who have received the BCBSM notification. He said, "Many folks are in a state of panic and feel they need to do something right now." The current premiums and plan ratings will remain in effect through the end of December. He said, "Our counselors are, advising folks that they don't have to make any immediate decisions because there is plenty of time to explore alternatives this fall".

Beneficiaries need to know that they can expect calls from agents wanting to sell them various alternative Medicare plans. "We suggest that folks know who they are dealing with and avoid talking to anyone who is pressuring them to make a quick decision", said Verville.

He indicated that his MMAP counselors can discuss options with their clients when they review their Part D prescription drug plans for 2017. "At that time we will be prepared to review other Medigap plans and Medicare Advantage plans with them", he said. He suggests that beneficiaries call the MMAP toll free number in September and request to have a prescription drug worksheet mailed to them. Once the worksheet is returned MMAP counselors will review drug plan comparisons starting when the Medicare Annual Enrollment period begins on October 15th. Counselors will then also discuss alternatives to the Legacy plans if beneficiaries choose to do so. If Legacy customers want to continue with their plan, no action will be necessary.

Currently all Legacy plan C customers are paying \$122.86 per month for their premium. Individuals under the age of 65 who are receiving Medicare benefits due to a disability will be the hardest hit with the rate increase. However, unlike many other insurance companies, BCBSM will not deny Medigap coverage to disabled individuals or others who have major health issues.

Here are a few examples of the proposed Legacy C plan monthly premium rates for residents who live outside of Southeastern Michigan:

Age	Male	Female
Under 65	\$314.87	\$314.87
65	\$166.37	\$158.45
70	\$211.57	\$195.90
75	\$250.67	\$221.83
80+	\$278.76	\$236.23

The Michigan Health Endowment Fund will offer a monthly subsidy for eligible Michigan Medicare beneficiaries who are enrolled in a Medigap plan that is offered by participating insurance companies. Applications for the subsidy will be accepted beginning October 1st and will take effect on January 1, 2017.

Eligibility for the subsidy is based on income. Applicant's total income can be no more than 150% of the Federal Poverty Level. That amount is equal to \$1,485 for single individuals and \$2,005 for couples per month. The subsidy will be available for up to 5 years and is as follows:

Michigan Health Endowment Fund Subsidy	
Age	Monthly Subsidy
65-75	\$40
Over 75	\$65
Under 65	\$125

More information regarding the subsidy is available by contacting the Endowment Fund at 866-824-9772.

Medicare beneficiaries can receive local assistance in all areas of Medicare and Medicaid by calling MMAP at 800-803-7174. Verville said, "one of our certified and award winning counselors will return their call and provide assistance to them".

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